DRAFT Agreement to recognize and reform payment structures to support Patient Centered Medical Home

revision date 11-5-13

In 2013 we recognize health care delivery and health care insurance is in the upheaval of major reform and this agreement health care will endure ongoing transformation in both the public and private markets. This agreement is recognized as only pertaining to Patient Centered Medical Home as defined and agreed upon in this document.

The goal of both health care providers and health insurers participating in this agreement is to reform the delivery of health care services in order to improve the overall health of individual patients, and patient populations, to promote an improved consumer experience, and to control or reduce expenditures through appropriate, evidence based, comprehensive care.

We, the undersigned insurance companies and physicians/health care providers agree to support and promote the creation of Patient Centered Medical Homes (PCMH) in Nebraska by using consistent requirements and measurements to promote the efficient transformation of primary care practices into patient centered medical homes.

The effective date of this agreement is January 2014 through January 2016. Insurers agree to enact PCMH contracts with at least 10 clinics per year. All parties agree to work in good faith toward compliance and fulfillment of this agreement.

Definition: In Nebraska, a patient centered medical home, or PCMH, is defined as a health care delivery model in which a patient establishes an ongoing relationship with a physician directed team to provide comprehensive, accessible, and continuous evidence-based primary and preventive care, and to coordinate the patient's health care needs across the health care system in order to improve quality, safety, access and health outcomes in a cost effective manner.

In the event that a health insurer, as part of their PCMH requirements, program requires that a PCMH be certified or recognized as such, or to attain certification or recognition, only the following recognition or insurers will accept any of the following standards can be required by that insurer:

- NCQA PCMH certification
- JACO PCMH certification
- Nebraska Medicaid PCMH Pilot Program, Tier I and II standards
- URAC certification

In the event that a health insurer, as part of their PCMH requirements program, requires that a PCMH clinic submit clinical measures to determine clinical outcomes, the measures must be among will be selected from those listed in the following charts:

- Adult (see attached chart)
- Pediatric (see attached chart)

Health insurers have the option to use measures for their PCMH program outside of these clinical measures as long as they are clearly communicated, <u>agreed upon by providers</u>, and do not require the PCMH clinics to submit data.

Payment:

Insurers offering a medical home must utilize payment mechanisms that recognize value beyond the feefor-service payment. Payments should be linked clinical, financial and/or patient satisfaction measures in accordance with the goals of the Patient Centered Medical Home. <u>Payments shall be directed toward the clinic's full covered panel of patients and not confined to a subset of diseases.</u> The design and details of the payment mechanism will be left up to each individual health plan to determine through an agreement with the provider or provider group to be negotiated in accordance with the PCMH program cycle.

Nothing in this agreement shall guarantee that a clinic is included in an insurer's PCMH program by meeting the basic criteria. Nothing in this agreement shall preclude the development of alternative patient centered medical home innovative models by an insurer for its group and/or individual policies, or alternative models and payment mechanisms to support PCMH.